

**REQUEST FOR PROPOSAL
FOR
DEBT COLLECTION SERVICES**



RFP #:44000016001

PROPOSAL DUE DATE/TIME: OCTOBER 14, 2015, 3:30PM

**State of Louisiana
Louisiana Department of Revenue
(Date of issuance)**

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REQUEST FOR PROPOSAL
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PART I: ADMINISTRATIVE AND GENERAL INFORMATION

1.1 Background

Louisiana Department of Revenue (LDR) is responsible for administration, assessment and collection of personal income taxes and a variety of business taxes. Business taxes include sales and use taxes, employer withholding taxes, corporation income and franchise taxes, excise taxes and fees and severance oil and gas taxes. Accounts to be referred will consist of liabilities based on returns filed, federal state match and mismatch assessments, non-filing estimates, CP2000 adjustments, audits, NSF/returned checks, levies and Revenue Agent Reports (RARs), W2 Discovery, etc. In most cases, in-house collection staff has attempted initial collection.

LDR reserves the right to make placements of miscellaneous manual taxes/files which would require special handling of placement, payment processing and reporting. Examples are motor vehicle sales tax and officer liability files.

1.1.1 Purpose

This Request for Proposals (RFP) is issued by the Louisiana Department of Revenue (LDR)(herein referred to as the State) for the purpose of soliciting proposals from qualified entities to provide debt collection services for the collection of delinquent tax accounts as provided by Louisiana Revised Statutes 47:1516 and 47:1516.1.

1.1.2 Goals and Objectives

The Contractor shall provide collection services for delinquent accounts assigned to the Contractor by LDR. The Contractor also commences and prosecutes suits or other legal proceedings in the collection of such delinquent tax amounts at the expense of the Contractor.

1.2 Definitions

A. Shall and Will– The terms “shall” and “will” denote mandatory requirements.

B. Must - The term “must” denotes mandatory requirements.

C. May and Can- The terms “may” and “can” denote an advisory or permissible action.

D. Should – The term “should” denotes a desirable action.

E. Contractor – Any person having a contract with a governmental body; the selected proposer.

F. Agency- Any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of this state authorized to participate in any contract resulting from this solicitation.

G. State- The State of Louisiana.

H. Discussions- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.

I. DOA - Division of Administration

J. OSP – Office of State Procurement

K. Proposer – A firm or individual who responds to this RFP.

L. RFP – Request for Proposal

Account	Liabilities based on audits, NSFs/returned checks, levies, state assessments, non-filing estimates, CP2000 adjustments, RARs, federal state match and mismatch assessments, W2 Discovery; etc. And, returns filed by the taxpayer including tax, interest, applicable penalties and fees
Account Number	The business taxpayer's account number assigned by LDR or the individual income taxpayer's social security number
Collection Contractor	One or more private persons, companies, associations or corporations who provide debt collection services
CP2000	Automated federal audit
First Placement	First time under this contract
FTI	Federal Tax Information
LaPAC	Louisiana Procurement and Contract Network
LDR	State of Louisiana – Department of Revenue
LRS	Louisiana Revised Statutes
RAR	Revenue Agent Report received from the IRS that discloses confidential tax information of a taxpayer
Second Placement	Accounts that have been previously placed with a collection contractor including the Louisiana Department of Justice
Secretary	The executive head and chief administrative officer of the Louisiana Department of Revenue
Tax Debtor	A person or business with outstanding tax liabilities owed the Louisiana Department of Revenue

1.3 Schedule of Events

<u>Event</u>	<u>Date</u>
Advertise RFP and mail public announcements	September 9, 2015
Deadline for receipt of written inquiries	September 23, 2015, 4:00 pm
Issue responses to written inquiries	September 30, 2015
Deadline for receipt of proposals	October 14, 2015, 3:30pm
Announce award of contractor selection	November 6, 2015
Contract execution	December 7, 2015

NOTE: The State of Louisiana reserves the right to revise this schedule. Revisions, if any, before the Proposal Submission Deadline will be formalized by the issuance of an addendum to the RFP.

1.4 Proposal Submission

Firms/individuals who are interested in providing services requested under this RFP must submit a proposal containing the mandatory information specified in this section. The proposal must be received in hard copy (printed) version by the RFP Coordinator on or before 3:30PM Central Daylight Time on the date specified in the Schedule of Events. Fax or e-mail submissions shall not be acceptable. Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the proposer's expense to:

*Stewart Zachery
Budget & Financial Services Division
Louisiana Department of Revenue, 3rd Floor
617 North 3rd Street
Baton Rouge, Louisiana 70802-
Telephone Number: 225-219-2300
Fax Number: 225-219-2306*

For courier delivery, the street address is 617 North 3rd Street, Baton Rouge, LA 70802 and the telephone number is 225-219-2300. It is solely the responsibility of each Proposer to ensure that their proposal is delivered at the specified place and prior to the deadline for submission. Proposals received after the deadline will not be considered.

The State requests that eight (8) *paper* copies of the proposal be submitted to the RFP Coordinator at the address specified. At least one copy of the proposal shall contain original signatures of those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority should be submitted if the Proposer is a corporation. The copy of the proposal with original signatures will be retained for incorporation in any contract resulting from this RFP.

1.4.1 Mandatory Qualification for Proposer

Proposers must meet the following minimum qualifications:

- a. Have a minimum of five (5) years' experience in the collections of governmental or state tax accounts.
- b. Have provided collection services to at least three (3) governmental or state taxing authorities within the past three (3) years.

- c. Have demonstrated experience collecting and processing payments in excess of \$1 million per month for an individual state client.
- d. Be willing to provide, within ten (10) days after the contract is awarded, a copy of the appropriate licenses from all of the fifty (50) states that shows your company is licensed to operate as a collection agency in each state.
- e. Be willing to provide five or more employees to assist with account processing on-site at LDR at no additional cost to LDR.
- f. Have a history of working accounts to proper resolution regardless of the age or dollar amount of the account.
- g. Have the ability for filing and serving legal documents and must have the ability to and execute judgements within the United States and its territories without regard to the Proposer's home office location or location of branch offices if necessary.

1.5 Proposal Format

Firms/individuals who are interested in providing services requested under this RFP must submit a proposal containing the information specified in this section. The proposal must be received in hard copy (printed) version by the RFP Coordinator on or before 3:30pm Central Daylight Time on the date specified in the Schedule of Events. Fax or email submissions shall not be acceptable. Proposers mailing their proposals should allow sufficient mail delivery time to ensure receipt of their proposal by the time specified. The proposal package must be delivered at the Proposer's expense to:

*Stewart Zachery
Budget & Financial Services Division
Louisiana Department of Revenue, 3rd Floor
617 North 3rd Street
Baton Rouge, Louisiana 70802-
Telephone Number: 225-219-2300
Fax Number: 225-219-2306*

For courier delivery, the street address is 617 North Third Street, LaSalle Building. It shall solely be the responsibility of each Proposer to ensure that their proposal is delivered at the specified place and prior to the deadlines for submission. Proposals received after the deadline will not be considered.

1.5.1 Number of Copies of Proposals

LDR requests that eight (8) paper copies of the proposal be submitted to the RFP Coordinator at the address specified above. At least 1 copy of the proposal shall contain original signatures of those company officials or agents duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority should be submitted if the Proposer is a corporation. The copy of the proposal with original signature will be retained for incorporation in any contract resulting from this RFP.

Each proposer shall submit their signed collection service fee (Cost) proposal in a clearly identified sealed package that is separate from the Technical Proposal. Failure to submit the proposed cost data (Collection Service Fee Information) shall result in disqualification of the proposal. Late submissions will be rejected, regardless of the circumstances.

The Proposer's response to this Request for Proposals shall be considered a formal offer. Only communications from the Proposers, which are signed, and in writing, will be recognized by the State as duly, authorized expressions on behalf of the Proposer. Proposals should be labeled as the following:
(Proposer's Name)

*Proposal for Collection Services
Louisiana Department of Revenue
(xx)/(xx)/2015*

The Proposers should respond to this RFP with a Technical Proposal and a Cost Proposal. No pricing information should be included in the Technical Proposal. All proposals should confirm to the following format:

1. Each proposal should contain an executive summary, which should be limited to 10 pages.
2. The text portion of the proposal should be limited to a maximum of 75 pages, not including the appendices, which concisely address the information requested from the Proposer in its response to this RFP.
3. The Proposer should include as appendages:
 - a. Resumes
 - b. Collection Methodology including schematics
 - c. Sample Reports
 - d. Sample Letters (i.e. billing/notices sent to the taxpayers)
 - e. Reference Letters from a minimum of three (3) governmental or state taxing authorities for which the Proposer has performed similar work as requested in the RFP within the past three (3) years.
 - f. Audited Financial Statements for three (3) years or other representation of financial solvency.
- A. **Cover Letter:** A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.
- B. **Table of Contents:** The proposal should be organized in the order contained herein.
- I. **Certification Statement:** The Proposer must sign and submit the Certification Statement shown in Attachment I.

1.5.2 Legibility/Clarity

Responses to the requirements of this RFP in the formats requested are desirable with all questions answered in as much detail as practicable. The Proposer's response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP are also desired. Each Proposer shall be solely responsible for the accuracy and completeness of its proposal.

1.6 Confidential Information, Trade Secrets, and Proprietary Information

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in

the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

Under no circumstance shall the contractor discuss and/or release information to the media concerning this project without prior express written approval of the Louisiana Department of Revenue.

Only information which is in the nature of legitimate trade secrets or non-published financial data shall be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44: 1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety shall be rejected without further consideration or recourse.

1.7 Proposal Clarifications Prior to Submittal

1.7.1 Pre-proposal Conference

NOT APPLICABLE FOR THIS SOLICITATION.

1.7.2 Proposer Inquiries

Written questions regarding RFP requirements or Scope of Services must be submitted to the RFP Coordinator as listed below.

*Stewart Zachery
Budget & Financial Services Division
Louisiana Department of Revenue, 3rd Floor
617 North 3rd Street
Baton Rouge, Louisiana 70802-
Telephone Number: 225-219-2300
Fax Number: 225-219-2306*

The State will consider written inquiries and requests for clarification of the content of this RFP received from potential proposers. Written inquiries must be received by 4:00 pm CST on the date specified in the Schedule of Events. The State shall reserve the right to modify the RFP should a change be identified that is in the best interest of the State.

Official responses to all questions submitted by potential proposers will be posted by (Date) at <http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm> (If agency will post on their agency website or other website they are to provide the additional *internet address(es) here also. Also advise if agency will issue in writing.*).

Only Velesial Rodman, Louisiana Department of Revenue, Assistant Secretary, has the authority to officially respond to a proposer's questions on behalf of the State. Any communications from any other individuals shall be not binding to the State.

1.8 Errors and Omissions in Proposal

The State reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities.

1.9 Changes, Addenda, Withdrawals

State shall reserve the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at <http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>. It shall be the responsibility of the

proposer to check the website for addenda to the RFP, if any. *(NOTE: if addenda are posted to agency or other website, agency is responsible for adding the applicable information in this section.)*

1.10 Withdrawal of Proposal

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator.

1.11 Waiver of Administrative Informalities

The State shall reserve the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

1.12 Proposal Rejection/RFP Cancellation

Issuance of this RFP in no way shall constitute a commitment by the State to award a contract. The State shall reserve the right to accept or reject, in whole or part, all proposals submitted and/or cancel this RFP if it is determined to be in the State's best interest.

1.13 Ownership of Proposal

All materials submitted in response to this RFP shall become the property of the State. Selection or rejection of a proposal shall not affect this right.

1.14 Cost of Offer Preparation

The State shall not be liable for any costs incurred by proposers prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP shall be entirely the responsibility of the Proposer and shall not be reimbursed in any manner by the State.

1.15 Taxes

Contractor shall be responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor shall provide its federal tax identification number, when requested

1.16 Determination of Responsibility

Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:136. The State must find that the selected proposer:

Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;

Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;

Is able to comply with the proposed or required time of delivery or performance schedule;

Has a satisfactory record of integrity, judgment, and performance; and

Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

1.17 Use of Subcontractors

The State shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, shall acknowledge in their proposals total responsibility for the entire contract.

If the proposer intends to subcontract for portions of the work, the proposers shall identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. (The State of Louisiana /State Agency will also require the Contractor and /or sub-Contractors (sub-Contractors must be pre-approved by the IRS per Attachment V due to the presence of Federal Tax Information data (language from Federal Publication 1075)). Information required of the proposer under the terms of this RFP shall also be required for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

Unless provided for in the contract with the State, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the State.

1.18 Oral Presentation/Site Visit

The evaluation team may require all proposers reasonably susceptible of being selected for the award to provide an oral presentation to clarify its proposal. The evaluation team reserves the right to adjust its original scores based upon information and/or clarification given in the oral presentation using the same evaluation criteria in section, PART III, except that the cost score will remain unchanged.

LDR reserves the right to conduct onsite inspections of the Proposer's company's physical locations prior to the awarding of the subject contract. The inspection will be for the purpose of verifying the Proposer's ability to perform the services required under the contract. The evaluation team reserves the right to adjust its original scores based upon the on-site inspection of physical location(s).

1.18.1 Best and Final Offers (BAFO)

The State reserves the right to conduct a BAFO with one or more proposers determined by the committee to be reasonably susceptible of being selected for award. If conducted, the proposers selected will receive written notification of their selection, with a list of specific items to be addressed in the BAFO along with instructions for submittal. The BAFO negotiation may be used to assist the state in clarifying the scope of work or to obtain the most cost effective pricing available from the proposers.

The written invitation to participate in BAFO will not obligate the state to a commitment to enter into a contract.

1.19 Acceptance of Proposal Content

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

1.20 Evaluation and Selection

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the state, which will determine the proposal most advantageous to the state, taking into consideration price and the other evaluation factors set forth in the RFP.

1.21 Contract Award and Execution

The State shall reserve the right to enter into a contract without further discussion of the proposal submitted based on the initial offers received.

The State shall reserve the right to contract for all or a partial list of services offered in the proposal.

The RFP and proposal of the selected Proposer shall become part of any contract initiated by the State.

The selected Proposer shall be expected to enter into a contract that is substantially the same as the sample contract included in Attachment II. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate. Negotiations may begin with the announcement of the selected Proposer.

If the contract negotiation period exceeds thirty (30) business days or if the selected Proposer fails to sign the final contract within fifteen (15) business days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

1.22 Notice of Intent to Award

The Evaluation Team will compile the scores and make a recommendation to the head of the agency on the basis of the responsive and responsible proposer with the highest score

The State will notify the successful Proposer and proceed to negotiate terms for final contract; Unsuccessful proposers will be notified in writing accordingly.

The proposals received (except for that information appropriately designated as confidential in accordance with R.S. 44.1 et seq), selection memorandum, list of criteria used with the weight assigned each criteria, scores of each proposal considered along with a summary of scores, and a narrative justifying selection shall be made available, upon request, to all interested parties after the "Notice of Intent to Award" letter has been issued.

Any Proposer aggrieved by the proposed award has the right to submit a protest in writing to the head of the agency issuing the proposal within 14 calendar days after the award has been announced by the agency.

The award of a contract shall subject to the approval of the Division of Administration, Office of State Procurement.

1.23 Right to Prohibit Award

In accordance with the provisions of R.S. 39:2192, in awarding contracts after August 15, 2010, any public entity shall be authorized to reject a proposal from, or not award the contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or RFP awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services.

1.24 Insurance Requirements

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI.

This rating requirement shall be waived for Worker's Compensation coverage only.

Contractor's Insurance: The Contractor shall not commence work under this contract until he has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company written or countersigned by an authorized Louisiana State agency, shall be filed with the State of Louisiana for approval. The Contractor shall not allow any sub-contractor to commence work on his subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State of Louisiana before work is commenced. Said policies shall not hereafter be canceled, permitted

to expire, or be changed without thirty (30) calendar days' notice in advance to the State of Louisiana and consented to by the State of Louisiana in writing and the policies shall so provide.

Compensation Insurance: Before any work is commenced, the Contractor shall maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed at the site of the project. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

Commercial General Liability Insurance: The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect him, the State, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by himself or by a subcontractor, or by anyone directly or indirectly employed by either or them, or in such a manner as to impose liability to the State. Such insurance shall name the State as additional insured for claims arising from or as the result of the operations of the Contractor or his subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

Insurance Covering Special Hazards: Special hazards as determined by the State shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.

Licensed and Non-Licensed Motor Vehicles: The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed there under, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.

1.25 Performance Bond

The State will require the Contractor to post a performance guarantee in the amount of \$100,000.00 prior to the contract being executed and approved, in the form of a bond from a surety licensed to conduct business in the State of Louisiana.

The terms of the bond shall extend for the balance of the term of the contract and provide that if the Contractor materially breaches the terms of the contract, specifically including, without limitation, the provisions for confidentiality and security so as to result in the termination of the contract, that the performance bond will be paid to the LDR as liquidated damages together with any finds due to the LDR pursuant to the terms of the contract.

1.26 Fidelity Bond

The Contractor shall keep in effect a fidelity bond for the period of this contract plus ninety (90) calendar days thereafter, in the amount of \$100,000.00 to protect the LDR against loss through failure by the Contractor or any of its employees or agents to remit to the LDR all monies due. The bond shall be in the form approved by LDR. The surety company shall be authorized to do business in Louisiana and shall be a company approved and licensed by the Louisiana Commissioner of Insurance. Proof of this bond coverage must be provided within ten (10) days of notification of award.

1.27 Indemnification and Limitation of Liability

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State. If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is

required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

1.28 Payment

As authorized by: La. R.S. 47:1516 and 1516.1, the compensation for the Contractor shall be a fee determined by a percentage of the amount of tax, penalty and interest collected by the Contractor for LDR.

The Contractor's fee shall not be taken from the tax; penalty and interest collected on behalf of LDR, but shall be a fee imposed in addition thereto. Therefore, the Contractor may add a percentage fee as compensation to the total collections of tax, penalty and interest, collected for LDR.

The Contractor shall be obligated to forward to the state all tax, penalty and interest collected from the delinquent taxpayer. Thereafter, the Contractor shall retain as compensation only the add-on percentage. All partial payments shall be deemed to include the tax, penalty and interest owed to LDR in addition to the Contractor's fee.

The Contractor shall be responsible for any costs incurred by the Contractor in litigation and other collection expenses.

1.29 Termination

1.29.1 Termination of the Contract for Cause

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the State to cure the defect.

1.29.2 Termination of the Contract for Convenience

State may terminate the Contract at any time without penalty by giving thirty (30) calendar days written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

1.29.3 Termination for Non-Appropriation of Funds

The continuation of this contract shall be contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

1.30 Assignment

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

1.31 Audit of Records

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of three (3) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

1.32 Civil Rights Compliance

The Contractor shall agree to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor shall agree to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor shall agree not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

1.33 Record Ownership

All records, reports, documents, or other material related to any contract resulting from this RFP and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the State and shall, upon request, be returned by Contractor to the State, at Contractor's expense, at termination or expiration of the contract.

1.34 Entire Agreement/ Order of Precedence

This contract, together with the RFP and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's RFP, and any exhibits incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter.

In the event of any inconsistent or incompatible provisions, this signed agreement (excluding the RFP and the Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal.

1.35 Contract Changes

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract shall be binding on any of the parties.

1.36 Substitution of Personnel

The Contractor's personnel assigned to this Contract shall not be replaced without the prior written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The contractor will make every reasonable attempt to assign the personnel listed in his proposal.

1.37 Governing Law

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

1.38 Claims or Controversies

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4.

1.39 Code of Ethics

Proposers shall be responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics shall be the only entity which can officially rule on ethics issues.

1.40 Corporate Requirements

If the contractor is a corporation not incorporated under the laws of the State of Louisiana, the contractor shall have obtained a certificate of authority pursuant to R. S. 12:301-302 from the Secretary of State of Louisiana.

If the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana.

PART II: SCOPE OF WORK/SERVICES

2.1 Overview

Attachment III details the scope of services and deliverables or desired results that the State requires of the Contractor (*See Attachment III*). All services proposed must adhere to directives outlined in Attachment IV which provides the File Record Layouts and Attachment V which provides information regarding Federal Tax Information (FTI) – Required Confidentiality Regulations. All LDR data should be assumed to be FTI data.

2.2 Period of Agreement

The period of any contract resulting from this RFP is tentatively scheduled to begin on or about October 1, 2015 and to continue through September 30, 2018. This contract is not effective until approved by the Director of Office of State Procurement in accordance with La. R.S. 39:1500 et. seq.

The term of this contract shall be three (3) years. If the performance of the contract is deemed successful, LDR may request an extension of the contract for a period not to exceed twenty-four (24) months at the same rates, terms and conditions of the initial contract term. However, all required approvals and concurrences shall be obtained prior to any extensions being granted. More specifically, prior to the extension of the contract beyond the initial 36 month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the initial three (3) year term.

2.3 Tasks and Services

To provide collection services for delinquent tax accounts, and commence and prosecute suits or other legal proceedings at its own expense. Litigation for collection purposes shall be initiated only upon prior written approval of LDR, as deemed to be in the best interest of the State of Louisiana.

All out-of-state accounts will be original assignments. In-state accounts **may** or **may** not be original and **may** have been previously placed with The Louisiana Attorney General's Office. LDR shall retain the right to withhold and/or request the return of accounts as provided by LDR.

Contractor **shall** commence work within 10 business days upon receipt of delinquent accounts as provided by LDR.

Accounts to be referred will consist of liabilities based on returns filed, federal state match and mismatch assessments, non-filing estimates, CP2000 adjustments, audits, NSF/returned checks, levies and Revenue Agent Reports (RARs), W2 Discovery, etc. In most cases, in-house collection staff has attempted initial collection.

LDR reserves the right to make placements of miscellaneous manual taxes/files which would require special handling of placement, payment processing and reporting. Examples are motor vehicle sales tax and officer liability files.

2.4 Deliverables

In order to mitigate the collection services for delinquent tax accounts, and commence and prosecute suits or other legal proceedings, in addition to the reports referenced above within the "Performance Measures and Monitoring Plan" section of Attachment III: Functionality Requirements; the Contractor shall agree to provide the following deliverables within the time frames specified herein:

The Contractor shall agree to remit, by the 10th of each month to LDR, the full amount of all monies collected in the previous month, including accrued interest collected on accounts placed by LDR with the contractor for collection, less the collection fee (commission) permitted by L.R.S.47:1516 earned by the Contractor, as prescribed by LDR.

All out-of-state accounts will be original assignments. In-state accounts **may** or **may** not be original and **may** have been previously placed with The Louisiana Attorney General's Office. LDR shall retain the right to withhold and/or request the return of accounts as provided by LDR.

Contractor **shall** commence work within 10 business days upon receipt of delinquent accounts as provided by LDR.

2.5 Scope of Work Elements

2.5.1 Functional Requirements

1. A plan to implement full-scale collections within 60 days should be furnished. The Proposer should have the ability to generate reports in the required format with the necessary fields in a timely manner. The Proposer should describe, in a concise narrative, his ability to comply with the reporting requirements mandated in Attachment III (Scope of Services) of this proposal. The narrative should include a description of the size and kind of computer system, where the records will be stored and the number of Information Technology (IT) personnel dedicated to the system and their functions. The Proposer should attach actual copies of existing reports the Proposer considers to meet the requirements, or drafts, or adjusted reports that will be developed for that purpose. The Proposer should describe the level of electronic data processing sophistication and capacity, including but not limited to, the availability of a competent technical staff that can meet the operational requirements of the RFP, the sufficiency of hardware that can handle the volume of the tax data, the existence of security systems and procedures, the capability to develop reporting and case tracking systems that will insure that the desired information on accounts is captured, updated and reported to LDR. The Proposer should describe the ability to exchange data using a secured web-based electronic file transfer protocol (FTP) according to LDR specifications; the ability to receive and generate timely automated reports in the format required by LDR, (Attachment IV – File Record Layout), adhere to Federal Government FTI requirements (Attachment V) and the capability of documenting audit trails acceptable to the Louisiana State Legislative Auditors.
2. The Proposer’s procedures and safeguards for processing payments should be furnished.
3. Samples of management reports provided to other clients, particularly those provided to other governmental units, on a monthly or yearly basis, which summarizes collection activity and results.
4. The Proposer should provide sample letters (i.e. billings/notices sent to the taxpayer).

2.5.2 Technical Requirements

The Contractor will receive delinquent account reports from LDR electronically. The Contractor will need to produce a file of collections at the designated interval which must be delivered in the file formats specified in Attachment IV in adherence to required provisions specified in Attachment V – Federal Tax Information (FTI) Required Confidentiality Regulations.

1. The Proposer’s collection services provided to at least three (3) state taxing authorities within the past three (3) years.
2. The Proposer’s ability for filing and serving legal documents and the ability to litigate and execute judgements within the United States and its territories without regard to the Proposer’s home office location or location of branch offices, if necessary.
3. The extent to which any collection attempt will be made based on the dollar value of the account and the types of attempts. For example: collection letters, phone contacts, skip traces, etc.
4. The method of documenting collection attempts and also the ability of the Proposer to guarantee that such attempts will be made.

5. The extent and procedures used for accounts that will be skip traced. The Proposer should indicate if different procedures will be utilized based upon dollar value of the account. LDR expects that the Proposer will contact the post office, neighbors, and prior employers. Additional sources used include credit bureaus, telephone directories, etc., in an effort to locate the taxpayer. The Proposer should indicate which steps are to be taken in a given category of cases.

6. A description of any internal audit program for the recording, checking, reporting of services, performed and the control of funds.

7. The Proposer should provide customer reference letters from three state taxing authorities for which the Proposer has performed similar work as described in this RFP. LDR may contact these customers to determine if the Proposer has a history of working accounts to proper resolution regardless of the age or dollar amount of the account.

The Proposer should also provide its demonstrated experience collecting and processing payments in excess of \$1 million per month for an individual state taxing authority

2.5.3 Project Requirements

CERTIFICATIONS

A copy of all required licenses to collect nationwide will be required to be submitted to LDR by the Contractor within ten (10) days after the contract is awarded. Should a license be required by law for collection companies to collect debts owed by persons and entities owing monies pursuant to the contract, then the Contractor must submit verification of application for licenses and branch certificate within 30 days of the effective date of the law. Should a license not be granted, LDR reserves the right to cancel the contract. If the license is granted and the Contractor does not remain in good standing, LDR reserves the right to cancel the contract. The Contractor must comply with the Fair Debt Collection Act and any other applicable state or federal law which regulates their activities.

Before contracting with the Contractor, LDR must notify the IRS at least 45 days prior to the planned re-disclosure of FTI (See Attachment V). Contractors consist of but are not limited to cloud computing providers, consolidated data centers, off-site storage facilities, shred companies, IT support, or tax modeling/revenue forecasting providers. The contractor notification requirement also applies in the circumstance where the contractor hires additional subcontractor(s) services. Approval is required if the (prime) contractor hires additional subcontractor(s) services in accordance with a document titled, "Exhibit 6, *Contractor 45-Day Notification Procedures*". (See Attachment VI)

STAFF REQUIREMENTS

The Contractor shall designate a Contract Manager who will be responsible for the day-to-day operations of the contract. It is expected that although many company branches may actually process accounts under the contract, the Contract Manager shall be available in the event of any and all problems with the contract.

The Contractor shall provide five (5) or more employees to assist with account processing on-site at LDR at no additional cost to LDR.

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld by LDR provided an equally qualified

replacement is offered. In the event that any Contractor personnel becomes unavailable due to resignation, illness or other factors, excluding assignment to other projects outside this contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays.

PERFORMANCE STANDARDS

The Contractor shall provide the following:

Reports shall be submitted monthly by the contractor to LDR, giving a detailed account of the amount collected per taxpayer. Monthly reports provided by the Contractor shall include an activity statement which lists the taxpayers' name, account number/Social Security number, type of tax, tax period, date collected, total amount collected, amount of contractor's fees and the amount collected for LDR (The electronic file submission must follow the schematic and data definitions cited in the Attachment IV in this RFP).

The Contractor shall prepare reconciliation files on demand, showing the status of all accounts, including accounts in litigation, and the collection activity of each account. These files must contain the designation shown in Attachment IV of the Request for Proposals. The Contractor shall maintain separate records satisfactory to LDR concerning the accounts referred. All monies received as a result of any activities referred by LDR concerning the accounts referred. All monies received as a result of any activities referred by LDR shall be maintained separately and apart from all other funds of the Contractor. The Contractor shall be responsible for any and all of its cost of the preparation for an audit of such books and records. The Contractor shall also maintain copies of all assignment files, deletion files, payment files, return status files and other significant files and records for six (6) years after the end of the contract (The Contractor must maintain a log and filing system that will ensure that said files are retrievable for the life of the contract).

Accounts to be referred will consist of liabilities based on returns filed, federal state match and mismatch assessments, non-filing estimates, CP2000 adjustments, audits, NSF/returned checks, levies and Revenue Agent Reports (RARs), W2 Discovery, etc. In most cases, in-house collection staff has attempted initial collection.

LDR reserves the right to make placements of miscellaneous manual taxes/files which would require special handling of placement, payment processing and reporting. Examples are motor vehicle sales tax and officer liability files.

The Contractor shall generate monthly invoices for collection fees due to the Contractor for payments submitted directly to LDR. This information is to be derived from the weekly electronic balance update filed transmitted by LDR.

The Contractor will prepare and maintain such financial records and records of service performed as are necessary to substantiate claims for payments, at an address designated in the contract, and shall permit LDR and or the Legislative Auditors to make copies.

To assure compliance with the contract, LDR and/or the Legislative Auditors shall have the right to enter into the Contractor's premises or any facilities where any portion of the contract is being performed, without notice during normal work hours to inspect, monitor or otherwise evaluate its work performance, examine the books, records and other compilations of data of the Contractor which pertain to the performance of the provision and requirements of the contract. LDR shall not be denied access by the Contractor for any reason whatsoever. LDR shall also have the right to independently verify the

Contractor's activities through direct contract with taxpayers assigned for collection or any other means without notice to the Contractor. The Contractor must be prepared to institute any further controls LDR may require.

The Collection Activity Reports shall serve the purpose of assuring LDR that work is progressing satisfactorily in accordance with this contract.

PART III: EVALUATION

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The evaluation will be conducted according to the following.

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The Evaluation Team will evaluate and score the proposals using the criteria and scoring as follows:

CRITERIA	MAXIMUM SCORE
1. Approach, Methodology & Reporting Capability – The proposed methodology for accomplishing the project with a precise statement of what LDR will receive as an end product of the project. The Proposer's ability to capture, update, report, and transfer any and all information gathered update, report and transfer any and all information gathered regarding the assigned accounts to LDR in an automated manner. The willingness of the Proposer to prepare and submit detailed management reports to LDR in an automated manner.	20
2. Experience - Capability, Expertise, and Means – The Proposer's capability and expertise in collections are a vital concern and it is imperative that the Proposer has sufficient locations/personnel or has the means to effectively pursue collection efforts for all accounts.	20
3. Staff Qualifications and Staff Levels. Qualifications/Volume of Accounts Handled – The number of personnel and their qualifications and classifications who will be assigned to work on LDR accounts; and the volume of accounts the Proposer can timely and efficiently handle with the expressed staffing level.	10
4. Added Value – Additional provided services to enhance collections and improve state efficiencies (should be addressed in Approach and Methodology and outlined references as "Added Value".	5
5. Financial Information –The fiscal solvency of Proposer, including having no outstanding obligations to the State	10
6. Hudson/Veteran Small Entrepreneurship Program	10
7. Collection Service Fee (Cost Proposal) – The collection service fee (represented in a percentage of the dollar amount of recovered collections) the Proposer will charge for collections.	25
TOTAL SCORE	100

The Evaluation Team will compile the scores and make a recommendation to the head of the agency on the basis of the responsive and responsible Proposer with the highest score.

Approach, Methodology & Reporting Capability

The Proposer should describe their proposed methodology and reporting capability for accomplishing the project with a precise statement of what LDR will receive as an end product of the project including the following (Attachment IV provides the File Record Layouts and Attachment V provides information regarding Federal Tax Information (FTI) – Required Confidentiality Regulations. All LDR data should be assumed to be FTI data):

1. A plan to implement full-scale collections within 60 days should be furnished. The Proposer should have the ability to generate reports in the required format with the necessary fields in a timely manner. The Proposer should describe, in a concise narrative, his ability to comply with the reporting requirements mandated in Attachment III (Scope of Services) of this proposal. The narrative should include a description of the size and kind of computer system, where the records will be stored and the number of Information Technology (IT) personnel dedicated to the system and their functions. The Proposer should attach actual copies of existing reports the Proposer considers to meet the requirements, or drafts, or adjusted reports that will be developed for that purpose. The Proposer should describe the level of electronic data processing sophistication and capacity, including but not limited to, the availability of a competent technical staff that can meet the operational requirements of the RFP, the sufficiency of hardware that can handle the volume of the tax data, the existence of security systems and procedures, the capability to develop reporting and case tracking systems that will insure that the desired information on accounts is captured, updated and reported to LDR. The Proposer should describe the ability to exchange data using a secured web-based electronic file transfer protocol (FTP) according to LDR specifications; the ability to receive and generate timely automated reports in the format required by LDR, (Attachment IV – File Record Layout), adhere to Federal Government FTI requirements (Attachment X) and the capability of documenting audit trails acceptable to the Louisiana State Legislative Auditors.
2. The Proposer's procedures and safeguards for processing payments should be furnished.
3. Samples of management reports provided to other clients, particularly those provided to other governmental units, on a monthly or yearly basis, which summarizes collection activity and results.
4. The Proposer should provide sample letters (i.e. billings/notices sent to the taxpayer).

Experience – Capability, Expertise and Means

The Proposer should submit a detailed overview of its relevant state tax collection experience as well as the collection methods and system utilized, including but not limited to the following:

1. The extent to which any collection attempt will be made based on the dollar value of the account and the types of attempts. For example: collection letters, phone contacts, skip traces, etc.
2. The method of documenting collection attempts and also the ability of the Proposer to guarantee that such attempts will be made.
3. The extent and procedures used for accounts that will be skip traced. The Proposer should indicate if different procedures will be utilized based upon dollar value of the account. LDR expects that the Proposer will contact the post office, neighbors, and prior employers. Additional sources used include

credit bureaus, telephone directories, etc., in an effort to locate the taxpayer. The Proposer should indicate which steps are to be taken in a given category of cases.

4. A description of any internal audit program for the recording, checking, reporting of services, performed and the control of funds.

5. The Proposer should provide customer reference letters from three state taxing authorities for which the Proposer has performed similar work as described in this RFP. LDR may contact these customers to determine if the Proposer has a history of working accounts to proper resolution regardless of the age or dollar amount of the account.

Staff Qualifications and Staff Levels

The Proposer should identify personnel for the contract along with at least five (5) on-site personnel, their qualifications and classifications who will be assigned full-time to work on LDR accounts; and should specify the volume of accounts the Proposer can timely and efficiently handle on a monthly, quarterly, or annual basis with the projected staffing level.

The Proposer should submit the resume of a Contract Manager who will be responsible for the day-to-day operations of the contract. It is expected that although many company branches may actually process accounts under the contract, the Contract Manager shall be available in the event of any and all problems with the contract. Resumes of all key personnel should also be included. The key positions are Contract Manager, Customer Service Liaison and Collection Manager.

Added Value

If Proposer can provide any additional services to enhance collections and improve state efficiencies, the Proposer should describe these services in detail. The Added Value can be addressed within the Proposer's methodology, as well as, reiterated in this section.

Financial Information

The Proposer should provide the fiscal solvency of the Proposer, including having no outstanding obligations to the State.

1. The Proposer must demonstrate a history of financial stability. The Proposer should provide last three (3) years of audited financial statements or other representation of financial solvency, which demonstrates that the proposer has adequate resources or has the stability to obtain such resources, as required for the performance of this contract. The Proposer must also submit the names and addresses of banking and lending institutions, which LDR may contact for financial references.

2. The Proposer must submit evidence that they meet the tax requirements of the State of Louisiana. The Proposers must certify that they have made all required filings, if applicable, and have no outstanding obligations to the State of Louisiana subdivisions.

3. Disclosure of any lawsuits or judgements against the Proposer, subsidiaries or affiliates, officers or employees that will significantly affect the Proposers ability to deliver the services required by this RFP.

3.1 Cost Evaluation

Collection Service Fee (Cost Proposal)

This is the collection service fee (represented in a percentage of the dollar amount of recovered collections) the Proposer will charge for collections. All the Proposers shall clearly state the collections service fee percentage of collections they will charge for their services. The Proposer must quote a collection service fee as a straight overall percentage of collections, which includes costs for the Contractor's use of legal proceedings. All partial payments will be considered inclusive of the amount owed LDR and the collection service fee. This percentage shall be all inclusive – no additional fees or expenses shall be paid by LDR.

The Proposer with the lowest percentage fee shall receive 25 points. Other proposers shall receive points for cost based upon the following formula:

$CPS - (LPC/PC) * 25$

CPS – Cost Proposal Score

LPC – Lowest Percentage Fee of all the Proposers

PC – Individual Percentage Fee

3.2 Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation

Ten percent (10%) of the total evaluation points on this RFP shall be reserved for proposers who are themselves a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurship as subcontractors.

Reserved points shall be added to the applicable proposers' evaluation score as follows:

Proposer Status and Reserved Points

- Proposer is a certified small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurship to participate as subcontractors or distributors. (Please note, the Contractor's sub-Contractors must be pre-approved by the IRS per Attachment V due to the presence of Federal Tax Information data (language from Federal Publication 1075). Points will be allocated based on the following criteria:
 - the number of certified small entrepreneurship to be utilized
 - the experience and qualifications of the certified small entrepreneurship(s)
 - the anticipated earnings to accrue to the certified small entrepreneurship(s)

PART IV: PERFORMANCE STANDARDS

4.1 Performance Requirements

4.2 Performance Measurement/Evaluation

Reports shall be submitted monthly by the contractor to LDR, giving a detailed account of the amount collected per taxpayer. Monthly reports provided by the Contractor shall include an

activity statement which lists the taxpayers' name, account number/Social Security number, type of tax, tax period, date collected, total amount collected, amount of contractor's fees and the amount collected for LDR (The electronic file submission must follow the schematic and data definitions cited in the Attachment IV in this RFP).

The Contractor shall prepare reconciliation files on demand, showing the status of all accounts, including accounts in litigation, and the collection activity of each account. These files must contain the designation shown Attachment III of the Request for Proposals. The Contractor shall maintain separate records satisfactory to LDR concerning the accounts referred. All monies received as a result of any activities referred by LDR concerning the accounts referred. All monies received as a result of any activities referred by LDR shall be maintained separately and apart from all other funds of the Contractor. The Contractor shall be responsible for any and all of its cost of the preparation for an audit of such books and records. The Contractor shall also maintain copies of all assignment files, deletion files, payment files, return status files and other significant files and records for six (6) years after the end of the contract (The Contractor must maintain a log and filing system that will ensure that said files are retrievable for the life of the contract.

Accounts to be referred will consist of liabilities based on returns filed, federal state match and mismatch assessments, non-filing estimates, CP2000 adjustments, audits, NSF/returned checks, levies and Revenue Agent Reports (RARs), W2 Discovery, etc. In most cases, in-house collection staff has attempted initial collection.

LDR reserves the right to make placements of miscellaneous manual taxes/files which would require special handling of placement, payment processing and reporting. Examples are motor vehicle sales tax and officer liability files.

The Contractor shall generate monthly invoices for collection fees due to the Contractor for payments submitted directly to LDR. This information is to be derived from the weekly electronic balance update filed transmitted by LDR.

The Contractor will prepare and maintain such financial records and records of service performed as are necessary to substantiate claims for payments, at an address designated in the contract, and shall permit LDR and or the Legislative Auditors to make copies.

To assure compliance with the contract, LDR and/or the Legislative Auditors shall have the right to enter into the Contractor's premises or any facilities where any portion of the contract is being performed, without notice during normal work hours to inspect, monitor or otherwise evaluate its work performance, examine the books, records and other compilations of data of the Contractor which pertain to the performance of the provision and requirements of the contract. LDR shall not be denied access by the Contractor for any reason whatsoever. LDR shall also have the right to independently verify the Contractor's activities through direct contact with taxpayers assigned for collection or any other means without notice to the Contractor. The Contractor must be prepared to institute any further controls LDR may require.

The Collection Activity Reports shall serve the purpose of assuring LDR that work is progressing satisfactorily in accordance with this contract.

4.3 Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

ATTACHMENT I: CERTIFICATION STATEMENT

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. The Proposer should identify the Contact name and fill in the information below: (Print Clearly)

Date _____ Official Contact Name: _____
A. E-mail Address: _____
B. Facsimile Number with area code: () _____
C. US Mail Address: _____

Proposer shall certify that the above information is true and shall grant permission to the State or Agencies to contact the above named person or otherwise verify the information provided.

By its submission of this proposal and authorized signature below, Proposer shall certify that:

1. The information contained in its response to this RFP is accurate;
2. Proposer shall comply with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
3. Proposer shall accept the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's quote shall be valid for at least 90 calendar days from the date of proposal's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have 15 business days from the date of delivery of final contract in which to complete contract negotiations, if any, and execute the final contract document.
6. Proposer shall certify, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractor(s) (Please note that the Contractor's subcontractor(s) must be pre-approved by the IRS per Attachment V due to the presence of Federal Tax Information data (language from Federal Publication 1075) or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov> .)

Authorized Signature: _____
Typed or Printed Name: _____
Title: _____
Company Name: _____
Address: _____
City: _____ State: _____ Zip: _____

SIGNATURE of Proposer's Authorized Representative

DATE

ATTACHMENT II: SAMPLE CONTRACT

STATE OF LOUISIANA CONTRACT

On this ____ day of _____, 20____, the State of Louisiana, [*STATE AGENCY NAME*], hereinafter sometimes referred to as the "State", and [*CONTRACTOR'S NAME AND LEGAL ADDRESS INCLUDING ZIP CODE*], hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

1 SCOPE OF SERVICES

1.1 CONCISE DESCRIPTION OF SERVICES

[*COMPLETE A DESCRIPTION OF SERVICES TO BE PROVIDED OR ATTACH SOW*]

1.2 STATEMENT OF WORK

{Define work/services/deliverables to be provided by contractor composed from RFP & proposers response. May be included in an attachment if detail is lengthy.}

1.2.1. GOALS AND OBJECTIVES

[*LIST GOALS AND OBJECTIVES OF THIS CONTRACT*]

1.2.2. PERFORMANCE MEASURES

The performance of the contract will be measured by the State Project Manager, authorized on behalf of the State, to evaluate the contractor's performance against the criteria in the Statement of Work and are identified as:

[*LIST PERFORMANCE MEASURES WHICH SHOULD BE MEASURABLE AND TIME BOUND*]

1.2.3. MONITORING PLAN

[*Name and Title or Position*] will monitor the services provided by the contractor and the expenditure of funds under this contract. [*Name and Title or Position*] will be primarily responsible for the day-to-day contact with the contractor and day-to-day monitoring of the contractor's performance. The monitoring plan is the following:

(PROVIDE MONITORING PLAN)

This contract will include FTI data, LDR, as an agency, must comply with the FTI Federal Regulations published in Federal Publication 1075:

LDR must notify the IRS prior to executing any agreement to disclose FTI to the Contractor, or at least 45 days prior to the disclosure of FTI, to ensure that appropriate contractual language is included and that the Contractors are held to safeguarding requirements. Further, any contractors authorized access to or possession of FTI must notify and secure the approval of the IRS prior to making any re-disclosures to subcontractors.

Contractor or Subcontractor(s) Access

All agencies intending to re-disclose FTI to the Contractors must notify the IRS at least 45 days prior to the planned re-disclosure. The Contractors consist of but are not limited to cloud computing providers, consolidated data centers, off-site storage facilities, shred companies, IT support, or tax modeling/revenue forecasting providers. The Contractor notification requirement

also applies in the circumstance where the Contractor hires additional subcontractor services. Approval is required if the (prime) Contractor hires additional subcontractor services in accordance with Exhibit 6, *Contractor 45-Day Notification Procedures*.

1.2.4. DELIVERABLES

The Contract will be considered complete when Contractor has delivered and State has accepted all deliverables specified in the Statement of Work.

1.2.5. SUBSTITUTION OF KEY PERSONNEL

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The contractor will make every reasonable attempt to assign the personnel listed in his proposal.

2 ADMINISTRATIVE REQUIREMENTS

2.1 TERM OF CONTRACT

This contract shall begin on *[DATE]* and shall end on *[DATE]*. State has the right to contract for up to a total of ____ years with the concurrence of the Contractor and all appropriate approvals.

2.2 STATE FURNISHED RESOURCES

{This information should be tailored to the specific state resources to be furnished for this contract.}

State shall appoint a Project Coordinator for this Contract identified in Section 1.2.4 who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Project Coordinator shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

2.3 TAXES

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is _____.

COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT

2.4 PAYMENT TERMS

As authorized by: La. R.S. 47:1516 and 1516.1, the compensation for the Contractor shall be a fee determined by a percentage of the amount of tax, penalty and interest collected by the Contractor for LDR.

The Contractor's fee shall not be taken from the tax; penalty and interest collected on behalf of LDR, but shall be a fee imposed in addition thereto. Therefore, the Contractor may add a percentage fee as compensation to the total collections of tax, penalty and interest, collected for LDR.

The Contractor shall be obligated to forward to the state all tax, penalty and interest collected from the delinquent taxpayer. Thereafter, the Contractor shall retain as compensation only the add-on percentage. All partial payments shall be deemed to include the tax, penalty and interest owed to LDR in addition to the Contractor's fee.

The Contractor shall be responsible for any costs incurred by the Contractor in litigation and other collection expenses.

3 *TERMINATION*

3.1 *TERMINATION FOR CAUSE*

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

3.2 *TERMINATION FOR CONVENIENCE*

State may terminate the Contract at any time without penalty by giving thirty (30) calendar days written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

3.3 *TERMINATION FOR NON-APPROPRIATION OF FUNDS*

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

4 *INDEMNIFICATION AND LIMITATION OF LIABILITY*

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State.

If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees),

claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

5 CONTRACT CONTROVERSIES

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4

6 FUND USE

Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

7 ASSIGNMENT

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

8 RIGHT TO AUDIT

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of three (3) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

9 CONTRACT MODIFICATION

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

10 CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.

11 IRS CONFIDENTIALITY PROVISIONS

I. PERFORMANCE: In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor or the contractor's responsible employees.
- (2) The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.
- (3) Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.

(4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

(5) No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.

(6) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

(7) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

(8) (Include any additional safeguards that may be appropriate.)

II. CRIMINAL/CIVIL SANCTIONS

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is

prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A. The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION: The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

11 SUBCONTRACTORS

The Contractor may, with prior written permission from the State and the approval of the IRS, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. (Please note that the Contractor's subcontractor(s) must be pre-approved by the IRS per Attachment V due to the presence of Federal Tax Information data (language from Federal Publication 1075)). In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The contractor will be the single point of contact for all subcontractor work.

Per Federal Publication 1075, All agencies intending to re-disclose FTI to contractors must notify the IRS at least 45 days prior to the planned re-disclosure. Contractors consist of but are not limited to cloud computing providers, consolidated data centers, off-site storage facilities, shred companies, IT support, or tax modeling/revenue forecasting providers. The contractor notification requirement also applies in the circumstance where the Contractor hires additional subcontractor services. Approval is required if the (prime) Contractor hires additional subcontractor services in accordance with Exhibit 6, *Contractor 45-Day Notification Procedures*.

12 COMPLIANCE WITH CIVIL RIGHTS LAWS

The contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

13 INSURANCE

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI.

This rating requirement shall be waived for Worker's Compensation coverage only.

Contractor's Insurance: The Contractor shall not commence work under this contract until he has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company written or countersigned by an authorized Louisiana State agency, shall be filed with the State of Louisiana for approval. The Contractor shall not allow any sub-contractor to commence work on his subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State of Louisiana before work is commenced. Said policies shall not hereafter be canceled, permitted to expire, or be changed without thirty (30) calendar days' notice in advance to the State of Louisiana and consented to by the State of Louisiana in writing and the policies shall so provide.

Compensation Insurance: Before any work is commenced, the Contractor shall maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed at the site of the project. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

Commercial General Liability Insurance: The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect him, the State, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by himself or by a subcontractor, or by anyone directly or indirectly employed by either or them, or in such a manner as to impose liability to the State. Such insurance shall name the State as additional insured for claims arising from or as the result of the operations of the Contractor or his subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

Insurance Covering Special Hazards: Special hazards as determined by the State shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.

Licensed and Non-Licensed Motor Vehicles: The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed there under, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.

14 PERFORMANCE BOND

The State will require the Contractor to post a performance guarantee in the amount of \$100,000.00 prior to the contract being executed and approved, in the form of a bond from a surety licensed to conduct business in the State of Louisiana.

The terms of the bond shall extend for the balance of the term of the contract and provide that if the Contractor materially breaches the terms of the contract, specifically including, without limitation, the provisions for confidentiality and security so as to result in the termination of the contract, that the performance bond will be paid to the LDR as liquidated damages together with any finds due to the LDR pursuant to the terms of the contract.

15 FIDELITY BOND

The Contractor shall keep in effect a fidelity bond for the period of this contract plus ninety (90) days thereafter, in the amount of \$100,000.00 to protect the LDR against loss through failure by the Contractor or any of its employees or agents to remit to the LDR all monies due. The bond shall be in the form approved by LDR. The surety company shall be authorized to do business in Louisiana and shall be a company approved and licensed by the Louisiana Commissioner of Insurance. Proof of this bond coverage must be provided within ten (10) days of notification of award.

16 APPLICABLE LAW

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

17 CODE OF ETHICS

The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.

18 SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this contract are declared severable.

19 COMPLETE CONTRACT

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

20 ENTIRE AGREEMENT & ORDER OF PRECEDENCE

This contract together with the RFP and contractor's proposal which are incorporated herein; shall, to the extent possible, be construed to give effect to all of its provisions; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the Contractor's Proposal.

THUS DONE AND SIGNED on the date(s) noted below:

CONTRACTOR'S SIGNATURE

STATE'S SIGNATURE

DATE

DATE

ATTACHMENT III: SCOPE OF SERVICES

The LDR is responsible for the administration, assessment and collection of personal income taxes and a variety of business taxes. Business taxes include sales and use taxes, employer withholding taxes, corporation income and franchise taxes, and excise taxes and fees and severance oil and gas taxes. Accounts to be referred will consist of liabilities based on actual returns filed, on audits and NSF checks and Revenue Agent Reports.

1.0 DESCRIPTION OF SERVICES/TASKS

The Contractor hereby agrees to furnish the following services;

- The Contractor shall collect delinquent tax accounts, and commence and prosecute suits or other legal proceedings at its own expense. The Contractor must have prior written approval of the LDR and subject to approval of the Attorney General's office before commencing any litigation on accounts.
- All out of state accounts will be original assignments.
- In-state accounts may or may not be original and may have been previously placed with The Louisiana Attorney General's Office. LDR shall retain the right to withhold and/or request the return of accounts as provided by LDR.
- Contractor shall commence work within ten (10) business days upon receipt of delinquent accounts as provided by LDR without regard to the amounts to achieve a maximum recovery of debts. Such procedures shall include but shall not be limited to a reasonable number of telephone, mail and skip-tracing efforts.

The Contractor must fulfill the following operational requirements in furnishing the services:

- **Account Information**

The Contractor shall collect delinquent tax accounts, commence and prosecute suits, or other legal proceedings in the collection of such delinquent tax accounts at the expense of the Contractor. The Contractor must have prior written approval of the LDR and subject to approval of the Attorney General's office before commencing any litigation on accounts.

The Contractor must undertake the collection of all accounts assigned by the LDR within ten (10) business days of receipt without regard to the amounts to achieve a maximum recovery of debts. Such procedures shall include but shall not be limited to a reasonable number of telephone, mail and skip-tracing efforts.

The Contractor must maintain records on each individual account referred by the LDR for collection. Such records shall contain all of the collection activities made by the Contractor and other pertinent information. The Contractor shall maintain the records on each account until such time the account is returned to the LDR. These records shall remain the property of the LDR. Upon termination or expiration of the contract, the Contractor shall return these records to the LDR in an electronic file as specified in the Computer Capability section within thirty (30) days of the ending date.

The Contractor will add to each account balance the collection fee based on the percentage rate agreed upon with the LDR. The Contractor shall collect the collection fee from the taxpayer. All partial payments will be considered inclusive of the amount owed LDR and the collection fee.

The Contractor must also agree that any and all information gathered and used by it in the collection of accounts is the property of the LDR, and that such information shall not be used for any other purpose by the Contractor.

- Computer Capability

The Contractor must lease, own, or have access to a computer server which has the ability to exchange data using a web-based electronic file transfer protocol (FTP) formatted to LDR specifications; the ability to receive and generate timely automated reports in an acceptable format as required by LDR, and the capability of documenting audit trails acceptable to the Louisiana State Legislative Auditor.

The LDR will use ASCH-format files) to exchange data with the collection agency. Files are transferred via File Transfer Protocol (FTP) to and from an FTP server maintained by the collection agency. LDR initiates all FTP file exchanges. The FTP data exchange must be secure, with encrypted authentication, and data transfer. The encryption must be at least 128-bit, must use RSA 2048 Titus-level public keys using PGP or GNUPG encryption, must be compatible with a Windows 2000 or higher operating system client software package or configuration, and must be implemented at no cost to the LDR.

All electronic media prepared by the Contractor for use by the LDR must be compatible with LDR's applications computer system. Conversion of files, if necessary, will be the Contractor's responsibility. The Contractor must accept, and be able to process electronic documents and files created by LDR's current applications computer system.

- Assignment of Accounts

The LDR will provide the Contractor with a file containing the account number or social security number, name, address (last known), type of tax and period, amount due as of a certain date (tax, penalty and current interest) , and other pertinent financial and demographic information to recover delinquent tax debts owed to the State of Louisiana. In addition, from time to time, the LDR may also make manual assignments of taxes that are not computerized.

The file will be date and timestamp sensitive. The Contractor must have the ability to update the account to include current interest due to the State of Louisiana. The interest rate applicable to the tax deficiencies is subject to change on January 1st each calendar year.

The Contractor shall acknowledge the number and logical validity of the file within five (5) business days after delivery date. For items not logically valid, notification shall be sent to the LDR for examination within one week subsequent to the acknowledgement (e.g. obviously illogical amounts, uninterruptible or illogical material of any type, etc.).

LDR shall retain the right to withhold and/or to request the return of accounts at its discretion.

- Payment for Services

The Contractor shall agree to remit by electronic funds transfer by the 10th of each month to the LDR, the full amount of all monies collected in the previous month, including accrued interest, on accounts placed by the LDR with the Contractor for collection, less the commissions earned by the Contractor

The Contractor shall place electronic payment file, formatted and named as specified by the LDR, out on the Contractor's server for pickup by LDR that contains the details of the collection of money by the 10th of each month for the preceding month. This file will be accompanied by an electronic report summarizing the amount collected by tax, and any other documentation necessary. The payments must be subtotaled by type of tax and a grand total must be furnished.

In the event the LDR offsets a refund against the amount owed on an account assigned to the Contractor, the LDR will notify the Contractor of the amount of the offset. The Contractor shall treat tax-offset payments as a balance adjustment and adjust their inventory accordingly. The Contractor shall not be entitled to a fee on the offset amount.

Any amounts received by the Contractor that are in excess of that which is due, and payable are overpayments and shall be forwarded to the LDR in full with an explanation that the amount is an overpayment. The Contractor shall not be entitled to a collection fee for overpayments and shall not retain any portion of an overpayment.

Under no circumstances will the Contractor receive a fee for any payment received:

1. Outside placement begin and end dates with Contractor
2. Credits resulting from administrative resolution
3. Payment is decreased by offset
4. After contract expiration or termination

The LDR may terminate the contract because of non-compliance or unsatisfactory compliance with the payment provisions.

Return/Update of Referred Accounts

The Contractor shall document its efforts to collect all accounts. If the Contractor should discover new taxpayer demographic information, the Proposer must submit the updated names, address, phone numbers, etc, to the LDR via an electronic file formatted and named as specified by the LDR out on the Contractor's server for pickup by LDR. This file shall be separate and apart from the electronic payment file. It shall contain only demographic update information.

The Contractor shall return to the LDR an account deemed uncollectible with an explanation why it is so rendered. Examples of reasons given may include the taxpayer's death, total and permanent disability, the taxpayer does not have the means to satisfy the debt or portion thereof, or the taxpayer cannot be located and skip tracing efforts have been exhausted.

In any case where an account has been assigned to the Contractor and that account becomes the subject of a bankruptcy proceeding, state insolvency, receivership, probate or other proceeding, the Contractor shall immediately, on discovery, return the account to the LDR. No additional fee will be generated on the remaining balance.

The Contractor agrees to return any accounts referred by mistake by LDR to LDR at no charge.

The LDR, as a result of an administrative action, decision, an offset action by the LDR, age prescription, and/or a legal decision, may manually or systematically recall any and all accounts. In any such event, the Contractor will suspend any and all collection action either temporarily or permanently on any account referred to them for collection upon written notification by the LDR. The Contractor will confirm in writing within three (3) days that the account has been recalled. There will be no collection fee charged on the uncollected portion of such accounts.

If suit has not been filed, the Contractor shall prepare and send to LDR an automated report listing the account(s) and all of all collection efforts taken and skip trace efforts, latest telephone numbers and addresses and the reason collection was not pursued.

If a recall is requested and the Contractor has filed suit and a judgment has been rendered but payment in full has not been collected, an electronic softcopy of the judgment shall also be attached. If an account is canceled for bankruptcy, death, or permanent and total disability, proper documentation acceptable to the LDR of these instances must be enclosed with the canceled account. The Contractor shall provide LDR with such additional information as it may have acquired, including but not limited to, the taxpayer's current address or employment.

- **Inventory**

The Contractor shall provide semi-annually or as requested to the LDR an electronic file known as a reconciliation file. The file shall contain all accounts assigned including the date account/period was assigned for collection, outstanding balance, and account status.

- **Disputed Accounts**

If during the collection of an account the Contractor is not satisfied that the taxpayer owes the liability that account should be forwarded to the LDR for verification. The LDR will attempt to promptly verify the liability and notify the Contractor of its finding. During this verification period, the Contractor will suspend any active contact with the taxpayer.

- **Reporting Requirements**

All reports and/or correspondence requiring individual detail must contain appropriate taxpayer identification. Taxpayer identification shall be defined as the account number assigned by the LDR or the individual's social security number and the taxpayer's name. On all reports, any column requiring figures such as payments, fees, accounts balances, etc., must be totaled at the end of the report for balancing purposes. The format will consist of the taxpayer's identification with relevant figures and dates under the item headings listed for each report. The Contractor is cautioned that the fields indicated under each report type are mandatory and that all reports listed must be generated in the manner prescribed and within the time frames allotted in Operational Requirements Section. The Contractor shall have the ability to generate reports in the required format with the necessary fields in a timely manner.

- **Litigation Report**

The Contractor shall provide a litigation report upon request. The report shall indicate the current status of all accounts and the effective date of the status. Each account reported shall be assigned one of the following designations:

1. **Judgment Pending** (all accounts that have had suit filed but a judgment has not yet been rendered).
2. **Judgment Rendered** (all accounts that have had judgment rendered but not yet executed).
3. **Judgment Executed** (all accounts that are in the process of being executed).

Each of these designations shall include the next scheduled action to be taken on the account. This report shall also contain the date suit was filed on each account and the new current balance.

- **Liability Satisfied**

The Contractor shall not send notices to the taxpayer stating the liability has been paid in full. When accounts are paid out and returned to the LDR on the weekly automated Close/Return file, LDR shall require the Contractor to list the current address on the file. The Contractor must maintain records on each individual account referred by the LDR for collection. Such records shall contain all of the collection activities made by the Contractor and other pertinent information. The Contractor shall maintain the

records on each account until such time the account is returned to the LDR. These records shall remain the property of the LDR. Upon termination or expiration of the contract, the Contractor shall return these records to the LOA in an electronic file as specified in the Return/Update of Referred Accounts Section within thirty (30) days of the ending date.

The Contractor will add to each account balance the collection fee based on the percentage rate agreed upon with the LDR. The Contractor shall collect the collection fee from the taxpayer. All partial payments will be considered inclusive of the amount owed LDR and the collection fee.

The Contractor must also agree that any and all information gathered and used by it in the collection of accounts is the property of the LOA, and that such information shall not be used for any other purpose by the Contractor.

DELIVERABLES

Contractor agrees to provide the following deliverables within the time frames specified herein:

- Contractor agrees to remit by the 10th of each month to LDR the full amount of all monies collected in the previous month, including accrued interest collected on accounts placed by LDR with Contractor for collection, less the collection fee (commission) permitted by La. R.S. 47:1516 earned by Contractor, as prescribed by LDR.
- Contractor must submit monthly reports to the State, giving a detailed account of the amount collected per taxpayer. Monthly reports provided by Contractor shall include an activity statement which lists the taxpayer name, account number/Social security number, type of tax, tax period, date collected, total amount collected, amount of Contractor's fees and the amount collected for the LDR.
- Contractor shall prepare and provide quarterly reports showing the status of all accounts, including accounts in litigation, and the collection activity of each account. These reports must contain the designation as specified in the Reporting Requirements Section. The Collection Activity Reports shall serve the purpose of assuring LDR that work is progressing satisfactorily in accordance with this Contract.
- Provide a litigation report upon request. The report shall indicate the current status of all accounts and the effective date of the status. Each account reported shall be assigned one of the following designations:
 1. Judgment Pending
 2. Judgment Rendered
 3. Judgment Executed
- The Contractor shall prepare reconciliation files on demand, showing the status of all accounts, including accounts in litigation, and the collection activity of each account. These files must contain the designation shown in Computer Capability Section. The Contractor shall maintain separate records satisfactory to the LDR concerning the accounts referred. All monies received as a result of any activities referred by the LDR shall be maintained separately and apart from all other funds of the Contractor. The Contractor shall be responsible for any and all of its cost of the preparation for an audit of such books and records. The Contractor shall also maintain copies of all assignment files, deletion files, payment files, return status files and other significant files and records for the life of the contract (this contradicts Section 10.0 of the sample contract which says 6 years after contract end). The Contractor must maintain a log and filing system that will ensure that said files are retrievable for the life of the contract.
- Contractor shall generate monthly Invoices for collection fees due Contractor for payments submitted directly to LDR. This information is to be derived from the weekly electronic balance update file transmitted by LDR.

- The Contractor will prepare and maintain and provide such financial records and records of services performed as are necessary to substantiate claims for payments, at an address designated in the contract, and shall permit the LDR and or the Legislative Auditors to make copies.

PERFORMANCE MEASURES AND MONITORING PLAN

The standard of performance is the percentage of assigned accounts collected and the amount of out of state accounts collected. The Collection Activity Reports shall serve the purpose of assuring LOA that work is progressing satisfactorily in accordance with this Contract.

The Contractor will prepare and maintain such financial records and records of services performed as are necessary to substantiate claims for payments, at an address designated in the contract, and shall permit the LDR and or the Legislative Auditors to make copies.

To assure compliance with the contract, the LDR and/or the Legislative Auditors shall have the right to enter into the Contractor's premises or any facilities where any portion of the contract is being performed, without notice during normal work hours to inspect, monitor or otherwise evaluate its work performance, examine the books, records and other compilations of data of the Contractor which pertain to the performance of the provision and requirements of the contract. The LDR shall not be denied access by the Contractor for any reason whatsoever. The LDR shall also have the right to independently verify the Contractor's activities through direct contact with taxpayers assigned for collection or any other means without notice to the Contractor. The Contractor must be prepared to institute any further controls the LDR may require.

The Project Director who is responsible for monitoring the contract and the principal point of contact for this contract on behalf of the State is Velecial S. Rodman.

ATTACHMENT IV: FILE – RECORD LAYOUTS

Note: The record size is 500 Bytes for all types of records.

HEADER RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required/Optional	Justify	Padding
1	Record Type	The constant value "00" identifying Header Record	1	2	Char	R		
2	File Identifier	The constant value identifying File from LDR to Collection Agency or The constant value identifying File from Collection Agency to LDR	3	8	Char	R	Left	Spaces
3	Agency Code	Agency Code	11	12	Integer	R	Right	Leading Zeros
4	Agency Name	Agency Name	23	20	Char	R	Left	Spaces
5	File Creation Date	Date when file was created (CCYYMMDD)	43	8	Date	R		
6	File Creation Time	24-Hour Military Time when file was created (HHMMSS)	51	6	Time	R		
7	Test Indicator Code	"TEST" for Test Data / "PROD" for Production Data	57	4	Char	R	Left	Spaces
8	Filler	Reserved for future	61	440	Char	R		Spaces

File Identifier (From LDR) – ‘LDR TODCS’ or ‘LDR TODOJ’

File Identifier (From Agency) – ‘DCSTOLDR’ or ‘DOJTOLDR’

Collection Agency Code – ‘000000000014’ Office of Attorney General
‘000000000015’ Collection Agency #1
‘000000000016’ Collection Agency #2

Collection Agency Name – ‘ATTORNEY GENERAL ’ (Department of Justice)
‘Collection Agency #1 (Collection Contractor)
‘Collection Agency #2 (Collection Contractor)

TAXPAYER DETAIL RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "01" identifying Placement Record	1	2	Char	R		
2	Record Sub Type	The constant value "01" identifying Taxpayer Detail Record	3	2	Char	R		
3	Agency Code	Agency Code/Contract Number	5	12	Char	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 000	18	10	Integer	R	Right	Zeros
6	Business Name	Name of Business identified in field # 4 if Taxpayer Type is "B"	28	70	Char	R	Left	Spaces
7	Taxpayer Last Name	Last Name of Taxpayer identified in field # 4 if Taxpayer Type is "I"	28	30	Char	R	Left	Spaces
8	Taxpayer Suffix	Suffix of Taxpayer identified in field # 4 if Taxpayer Type is "I"	58	3	Char	O	Left	Spaces
9	Taxpayer First Name	First Name of Taxpayer identified in field # 4 if Taxpayer Type is "I"	61	25	Char	R	Left	Spaces
10	Taxpayer Middle Name	Middle Name of Taxpayer identified in field # 4 if Taxpayer Type is "I"	86	12	Char	O	Left	Spaces
11	Location Address	First line of Taxpayer permanent home address / Business Location	98	40	Char	R	Left	Spaces
12	Location Address 2	Second line of Taxpayer permanent home address / Business Location	138	40	Char	O	Left	Spaces
13	Location City	The city of the Taxpayer's permanent home address / Business Location	178	30	Char	R	Left	Spaces
14	Location State	The State of the Taxpayer's permanent home address / Business Location	208	2	Char	R		Spaces
15	Location ZIP	9 digit Taxpayer Zip Code	210	9	Char	R	Left	Zeros
16	Country Code	3 character Country Code	219	3	Char	O	Left	Spaces

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
17	Taxpayer Phone	Taxpayer / Business Phone Number	222	10	Integer	O	Right	Zeros
18	Other Phone	Other Phone number	232	10	Integer	O	Right	Zeros
19	DBA Name	Taxpayer's DBA Name	242	50	Char	O	Left	Spaces
20	Mailing Address	Taxpayer / Business Mailing Address	292	40	Char	O	Left	Spaces
21	Mailing Address2	Second line of Taxpayer / Business Mailing Address	332	40	Char	O	Left	Spaces
22	Mailing City	Taxpayer / Business Mailing City	372	30	Char	O	Left	Spaces
23	Mailing State	Taxpayer / Business Mailing State	402	2	Char	O	Left	Spaces
24	Mailing ZIP	Taxpayer / Business Mailing ZIP Code	404	9	Char	O	Left	Zeros
25	Alternate Phone	Alternate Phone Number	413	10	Integer	O	Right	Zeros
26	Taxpayer Date of Birth	Taxpayer's Date of Birth (CCYYMMDD)	423	8	Date	O	Right	Zeros
27	Total Outstanding Amount	PRIN+INTR+PEN+COLL+OTHER Amounts contained in Tax Bill Detail Record(s) associated with SSN or TIN (Field # 5)	431	11	Money	R	Right	Zeros
28	Bankruptcy Flag	Active Bankruptcy Exists	442	1	Char	O		Spaces
29	Audit Flag	Active Audit Exists	443	1	Char	O		Spaces
30	FEIN	Federal ID Number	444	11	Char	O	Left	Spaces
31	Filler	Reserved for Future	455	34	Char	R		Spaces
32	Control Amount	Last 4 digits of Field # 5 for Trailer Record Verification	489	12	Char	R	Right	Zeros

TAX BILL DETAIL RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required/Optional	Justify	Padding
1	Record Type	The constant value "01" identifying Placement Record	1	2	Char	R		
2	Record Sub Type	The constant value "02" identifying Tax Bill Detail Record	3	2	Char	R		
3	Agency Code	Agency Code/Contract Number	5	12	Char	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Zeros
6	Tax Bill Identifier	15 Digit Tax Bill Identifier – To identify Tax Bill	28	15	Integer	R	Right	Leading Zeros
7	Bill Period	Bill Period Date (CCYYMMDD)	43	8	Date	R		
8	Delinquent Amount	Amount of tax bill due Sum of Fields 11,12,13,14,15	51	11	Money	R	Right	Zeros
9	Current Interest Rate	The current annual interest rate for tax bill (000.00)	62	5	Integer	R	Right	Zeros
10	Tax Type Code	4 character code to identify tax bill type e.g. IND, CFT, SLS etc.	67	4	Char	R	Left	Spaces
11	Unpaid Tax Amount	The Unpaid Tax Amount of the tax bill	71	9	Money	R	Right	Zeros
12	Accrued Interest Amount	The Unpaid Interest Accrued through interest accrued to date	80	9	Money	R	Right	Zeros
13	Penalties	The amount of penalty charges accrued to date	89	9	Money	R	Right	Zeros
14	Other Charges	The unpaid amount of fees, etc	98	9	Money	R	Right	Zeros
15	Collection Cost Charges	The unpaid amount of collection costs for the tax bill	107	9	Money	O	Right	Zeros
16	Interest Through Date	The date through which interest has accumulated on the tax bill (CCYYMMDD)	116	8	Date	R		Zeros
17	Debt Type	R – Return E – Non-Filing Estimate A – Assessment	124	1	Char	R		Spaces
18	Filler	Reserved for future	125	364	Char	R		Spaces

19	Control Amount	Field # 8 for Trailer Record Verification	489	12	Char	R	Right	Zeros
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Current Interest Rate - Louisiana Interest Rates change every January 1st according to R.S. 47:1601(A)(2)(a)(iv) which provides that interest collected on unpaid taxes shall accrue at an annual rate of four percentage points above the announced judicial interest rate provided for in R.S. 9:3500(B)(1).

Tax Type Code – See attached Louisiana Tax Table

COMAKER DETAIL RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "01" identifying Placement Record	1	2	Char	R		
2	Record Sub Type	The constant value "04" identifying Co-maker Detail Record	3	2	Char	R		
3	Collection Agency Code	Agency Code	5	12	Char	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or TIN	18	10	Integer	R	Right	Zeros
6	Co-maker Type	(I)ndividual or (B)usiness	28	1	Char	R		
7	Co-maker ID	9 Digit Co-maker SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	29	10	Integer	R	Right	Zeros
8	Co-maker Business Name	Name of Business identified in field # 7 if Co-Maker Type is "B"	39	70	Char	R	Left	Spaces
9	Co-maker Last Name	Last Name of Co-maker identified in field # 7	39	30	Char	R	Left	Spaces
10	Taxpayer Suffix	Suffix of Taxpayer identified in field # 7 if Taxpayer Type is "I"	69	3	Char	O	Left	Spaces
11	Co-maker First Name	First Name of Co-maker identified in field # 7	72	25	Char	R	Left	Spaces
12	Co-maker Middle Name	Middle Name of Co-maker identified in field # 7	97	12	Char	O	Left	Spaces
13	Co-maker Address	First Line of Co-maker permanent home address	109	40	Char	R	Left	Spaces
14	Co-maker Address 2	Second Line of Co-maker permanent home address	149	40	Char	O	Left	Spaces
15	Co-maker City	The city of the Co-maker's permanent home address	189	30	Char	R	Left	Spaces
16	Co-maker State	The state of the Co-maker's permanent home address	219	2	Char	R	Left	Spaces
17	Co-maker ZIP	9 digit Co-maker Zip Code	221	9	Char	R	Left	Zeros
18	Co-maker Phone Number	Co-maker's permanent home phone number	230	10	Char	R	Right	Zeros
19	Co-maker Other Phone Number	An alternative Co-maker's number	240	10	Char	O	Right	Zeros

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
20	Co-maker Date of Birth	Co-maker's date of birth (CCYYMMDD)	250	8	Date	O		Zeros
21	Bill Period	Bill period date (CCYYMMDD)	258	8	Date	R		Zeros
22	Tax Type Code	4 character code to identify tax bill type e.g. IND, SLS, etc.	266	4	Char	R	Left	Spaces
23	Filler	Reserved for future	270	219	Char	R		Spaces
24	Control Amount	Last 4 digits of Field # 7 for Trailer Record Verification	489	12	Char	R	Right	Zeros

CLOSE/RETURN RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required/Optional	Justify	Padding
1	Record Type	The constant value "02" identifying Update Transaction Record	1	2	Char	R		
2	Record Sub Type	The constant value "01" identifying Close/Return Record	3	2	Char	R		
3	Agency Code	Agency Code	5	12	Char	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Zeros
6	Bill Period	Bill Period date, CCYYMMDD	28	8	Date	R		
7	Tax Type Code	4 character code to identify tax bill type e.g. IND, CFT, SLS, etc	36	4	Char	R	Left	Spaces
8	Business Name	Name of Business identified in field # 5 if Taxpayer Type is "B"	40	70	Char	R	Left	Spaces
9	Taxpayer Last Name	Last name of taxpayer if Taxpayer Type is "I"	40	30	Char	R	Left	Spaces
10	Taxpayer Suffix	Suffix of Taxpayer identified in field # 7 if Taxpayer Type is "I"	70	3	Char	O	Left	Spaces
11	Taxpayer First Name	First name of taxpayer if Taxpayer Type is "I"	73	25	Char	R	Left	Spaces
12	Taxpayer Middle Name	Middle name of taxpayer if Taxpayer Type is "I"	98	12	Char	O	Left	Spaces
13	Recall Code	8 Character code to identify recall reason e.g. '01' '03' '27'	110	8	Char	R	Left	Spaces
14	Recall Description	Reason from Recall Code Table	118	30	Char	R	Left	Spaces
15	Close Date	The date when recall transaction was created (CCYYMMDD)	148	8	Date	R		Zeros
16	Tax Bill Identifier	15 Digit Tax Bill Identifier – To identify Tax Bill	156	15	Integer	R	Right	Zeros
17	Filler	Reserved for future	171	318	Char	R		Spaces
18	Control Amount	Last 4 digits of Field # 5 for Trailer Record Verification	489	12	Char	R	Right	Zeros

Recall Code & Description- See attached Recall Code Table

DEMOGRAPHIC UPDATE RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "02" identifying Update Transaction Record	1	2	Char	R		
2	Record Sub Type	The constant value '02' identifying Demographic Update Record	3	2	Char	R		
3	Agency Code	Agency Code (LDR will have its own agency code for changes from LDR to Agency)	5	12	Char	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Zeros
6	Business Name	Name of Business identified in field # 5 if Business	28	70	Char	R	Left	Spaces
7	Taxpayer Last Name	Last Name of Taxpayer identified in field # 5 if Individual	28	30	Char	R	Left	Spaces
8	Taxpayer Suffix	Suffix of Taxpayer identified in field # 7 if Taxpayer Type is "I"	58	3	Char	O	Left	Spaces
9	Taxpayer First Name	First Name of Taxpayer identified in field # 5 if Individual	61	25	Char	R	Left	Spaces
10	Taxpayer Middle Name/Initial	Middle Name of Taxpayer identified in field # 4 if Individual	86	12	Char	O	Left	Spaces
11	Taxpayer Address	First line of Taxpayer permanent home address / Business location	98	40	Char	R	Left	Spaces
12	Taxpayer Address (Line 2)	Second line of Taxpayer permanent home address / Business location	138	40	Char	O	Left	Spaces
13	Taxpayer City	Taxpayer city	178	30	Char	R	Left	Spaces
14	Taxpayer State	Taxpayer state	208	2	Char	R		

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
15	Taxpayer ZIP Code	Taxpayer 5 digit zip code	210	9	Integer	R	Left	Zeros
16	Foreign Country Code	3 character foreign country code	219	3	Char	O	Left	Spaces
17	Taxpayer Telephone	Taxpayer's permanent home / Business number	222	10	Integer	R	Right	Zeros
18	Secondary Name	Taxpayer's Secondary name	232	50	Char	O	Left	Spaces
19	Secondary Address Line #1	The first line of Taxpayer's Secondary address	282	40	Char	O	Left	Spaces
20	Secondary Address Line #2	The second line of Taxpayer's Secondary address	322	40	Char	O	Left	Spaces
21	Secondary City	Secondary city	362	30	Char	O	Left	Spaces
22	Secondary State	Secondary state	392	2	Char	O	Left	Spaces
23	Secondary ZIP	Secondary Zip Code	394	9	Char	O	Left	Zeros
24	Secondary Phone	Secondary phone number	403	10	Integer	O	Right	Zeros
25	Change Effective Date	Change effective date (CCYYMMDD)	413	8	Date	R		
26	Update Type	TA- Taxpayer Address Update	421	2	Char	R		
		TT- Taxpayer Telephone Update						
		TN- Taxpayer Name Update						
		TB – Taxpayer Date of Birth						
		EM- Employer Update						
		TF – FEIN						
		BL – Bank Levy						
		EL – Employer Levy						
27	Taxpayer Date of Birth	Taxpayer's date of birth in (CCYYMMDD) format	423	8	Date	O	Right	Zeros
28	FEIN	Federal Id Number	431	11	Char	O	Right	Spaces
29	Filler	Reserved for future	442	47	Char	R		Spaces
30	Control Amount	Last 4 digits of Field # 5 for Trailer Record Verification	489	12	Char	R	Right	Zeros

Each update type is expected to be sent in a separate record. For example, a name and address change will have 2 records. TN – update type and TA – update type.

PAYMENT RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "02" identifying Update Transaction Record	1	2	Char	R		
2	Record Sub Type	"03" Payment Record	3	2	Char	R		
3	Collection Agency Code	Agency Code/Contract Number	5	12	Integer	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Zeros
6	Tax Bill Identifier	15-Digit tax bill identifier. To identify tax bill.	28	15	Integer	R	Right	Zeros
7	Bill Period	Bill Period date (CCYYMMDD)	43	8	Date	R		
8	Tax Type Code	4 Char code to id tax bill type e.g. IND,CIT,SLS, etc	51	4	Char	R	Left	Spaces
9	Payment Amount	Payment applied to Tax Bill (Entire \$ Amount received from Taxpayer)	55	11	Money	R	Right	Zeros
10	Negative Indicator	Used to indicate NSF or canceled payments (1 = NEG , 0 = POSS)	66	1	Char	R		
11	Payment Effective Date	Effective date of payment (CCYYMMDD)	67	8	Date	R		
12	Payment Type Code	S= State Offset F= Federal Offset B=Normal Payment L=Lien/Levy D=Direct Payment	75	1	Char	R		
13	Payment Source	T= Taxpayer, C=Co-Maker, E=Employer , etc.	76	1	Char	R		
14	Total Outstanding Balance	Total Outstanding Balance Sum of fields 15,16,17,18	77	9	Money	O	Right	Zeros
15	Tax Balance	Unpaid Tax amount	86	9	Money	O	Right	Zeros
16	Interest Balance	Unpaid Interest amount	95	9	Money	O	Right	Zeros

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
17	Penalty Balance	Unpaid Penalty amount	104	9	Money	O	Right	Zeros
18	Other Balance	Unpaid Fees, etc amount	113	9	Money	O	Right	Zeros
19	Commission Amount	Commission charged by collection agency	122	9	Money	R	Right	Zeros
20	Filler	Reserved for future	131	358	Char	R		Spaces
21	Control Amount	Last 4 digits of Field # 5 for Trailer Record Verification	489	12	Char	R	Right	Zeros

BALANCE UPDATE RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "02" identifying Update Transaction Record	1	2	Char	R		
2	Record Sub Type	"04" Balance Record	3	2	Char	R		
3	Collection Agency Code	Agency Code/Contract Number	5	12	Integer	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Zeros
6	Tax Bill Identifier	15-Digit tax bill identifier. To identify tax bill.	28	15	Integer	R	Right	Zeros
7	Bill Period	Bill Period date (CCYYMMDD)	43	8	Date	R		
8	Tax Type Code	4 Char code to id tax bill type e.g. IND,CIT,SLS, etc	51	4	Char	R	Left	Spaces
9	Total Delinquent Amount	Amount of tax bill due Sum of fields 10,11,12,13	55	11	Money	R	Right	Zeros
10	Unpaid Tax Amount	Unpaid tax amount	66	9	Money	R	Right	Zeros
11	Unpaid Interest Amount	Unpaid Interest Accrued through Interest Date	75	9	Money	R	Right	Zeros
12	Unpaid Penalty Amount	Unpaid penalty charges accrued to date	84	9	Money	R	Right	Zeros
13	Unpaid Other Amount	Unpaid fees, etc amount	93	9	Money	R	Right	Zeros
14	Tax Amount	Tax Amount	102	9	Money	O	Right	Zeros
15	Interest Amount	Interest Amount	111	9	Money	O	Right	Zeros
16	Penalty Amount	Penalty Amount	120	9	Money	O	Right	Zeros
17	Other Amount	Other Amount	129	9	Money	O	Right	Zeros
18	Total Credits	Total Credits	138	9	Money	O	Right	Zeros
19	Interest Through Date	The date through which interest has accrued to on the tax bill (CCYYMMDD)	147	8	Date	R		Zeros

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
20	Debt Type	R – Return E – Non-Filing Estimate A – Assessment	155	1	Char	R		Spaces
21	Bankruptcy Flag	Active Bankruptcy Exists	156	1	Char	O		Spaces
22	Audit Flag	Active Audit Exists	157	1	Char	O		Spaces
23	Filler	Reserved for future	158	331	Char	R		Spaces
24	Control Amount	Last 4 digits of Field # 5 for Trailer Record Verification	489	12	Char	R	Right	Zeros

RECONCILIATION RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "03" identifying Reconciliation Record	1	2	Char	R	Left	Leading Zero
2	Record Sub Type	"01" Reconciliation Record	3	2	Char	R	Left	Leading Zero
3	Collection Agency Code	Agency Code/Contract Number	5	12	Integer	R	Right	Zeros
4	Taxpayer Type	(I)ndividual or (B)usiness	17	1	Char	R		
5	Taxpayer ID	9 Digit Taxpayer SSN or 7-Digit Louisiana TIN plus 3-Digit Loc	18	10	Integer	R	Right	Leading Zeros
6	Business Name	Name of Business identified in field # 4 if Business	28	70	Char	R	Left	Spaces
7	Taxpayer Last Name	Last Name of Taxpayer	28	30	Char	R	Left	Spaces
8	Taxpayer Suffix	Suffix of Taxpayer	58	3	Char	R	Left	Spaces
9	Taxpayer First Name	First Name of Taxpayer	61	25	Char	R	Left	Spaces
10	Taxpayer Middle Name/Initial	Middle Initial of Taxpayer	86	12	Char	R	Left	Spaces
11	Taxpayer Address	Taxpayer permanent home address	98	40	Char	R	Left	Spaces
12	Taxpayer City	The city of the taxpayer's permanent home address	138	30	Char	R	Left	Spaces
13	Taxpayer State	The state of the Taxpayer's permanent home address	168	2	Char	R	Left	Spaces
14	Taxpayer Zip Code	5 Digit taxpayer zip code	170	9	Char	R	Left	Zeros
15	Foreign Country Code	3 Character foreign country code	179	3	Char	R	Left	Spaces
16	Taxpayer Telephone	Taxpayer's permanent home number	182	10	Integer	R	Left	Zeros
17	Taxpayer Date of Birth	Date of Birth (CCYYMMDD) format	192	8	Date	R	Right	Zeros

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
18	Tax Bill Identifier	15 Digit Tax Bill Identifier to identify tax bill	200	15	Integer	R	Right	Leading Zeros
19	Tax Type Code	4 digits Assigned Tax Type Code e.g. IND, CIT, SLS, IFTA, etc	215	4	Char	R	Left	Spaces
20	Bill Period	Bill Period date (CCYYMMDD)	219	8	Date	R	Right	Zeros
21	Current Interest Rate	Current Annual Interest Rate of Tax Bill (000.00)	227	5	Integer	R	Right	Zeros
22	Tax Outstanding Amount	Current tax outstanding amount of tax bill	232	9	Money	R	Right	Zeros
23	Accrued Interest Amount	Accrued interest amount	241	9	Money	R	Right	Zeros
24	Accrued Interest Date	Accrued interest date (CCYYMMDD)	250	8	Date	R	Right	Zeros
25	Interest Rate Type	4 Characters assigned Interest Rate Type e.g. COMP, SIMP, etc.	258	4	Char	R	Left	Spaces
26	Penalty Charges	Current outstanding penalty charges	262	9	Money	R	Right	Zeros
27	Collection Charges	Current outstanding collection charges	271	9	Money	R	Right	Zeros
28	Outstanding Other Charges	Current outstanding other/MISC charges	280	9	Money	R	Right	Zeros
29	Last Payment Amount	Dollar amount of last payment	289	11	Money	R	Right	Zeros
30	Last Payment Date	Date of last payment (CCYYMMDD)	300	8	Date	R	Right	Zeros
31	Collection Agency Placement Date	Date when tax bill was placed with collection agency (CCYYMMDD)	308	8	Date	R	Right	Zeros
32	Tax Bill Delinquency Date	Date tax bill became delinquent (CCYYMMDD)	316	8	Date	R	Right	Zeros
33	Current Tax Bill Status	4 Characters code to identify the current status of tax bill e.g. PIFD, CANC, BILL, etc.	324	4	Char	R	Left	Spaces
34	Filler	Reserved for future	328	161	Char	R		Spaces

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
35	Control Amount	Sum of Field # 21, 22, 25, 26 and 27 for Trailer Record Verification	489	12	Char	R	Right	Zeros

TRAILER RECORD

Field	Field Name	Field Description	Start Position	Length	Data Type	Required /Optional	Justify	Padding
1	Record Type	The constant value "99" identifying Trailer Record	1	2	Char	R		
2	Record Sub Type	"99" Trailer Record	3	2	Char	R		
3	Agency Code	12 Digit Agency Code	5	12	Integer	R	Right	Zeros
4	File Creation Date	Date when file was created (CCYYMMDD)	17	8	Date	R		
5	File Creation Time	24-Hour Military Time when file was created (HHMMSS)	25	6	Time	R		
6	Detail Record Count	Total number of Detail Records in file	31	9	Integer	R	Right	Zeros
7	Filler	Reserved for future use	40	447	Char	R		Spaces
8	Total Control Amount	Sum of all control amounts in all Detail Records in positions 489 – 500	487	14	Integer	R	Right	Zeros

LOUISIANA TAX TYPES

TAX TYPE	TAX TYPE DESCRIPTION	Interest Rate (2010)
AL	Alcohol	6.75%
BR	Beer	6.75%
CIT	Corporation – Income & Franchise	6.75%
CMP	Corporation Partnership – Income	6.75%
GSD	Gasoline – Dealer	6.75%
GSJ	Gasoline – Jobber	6.75%
GSR	Fuel Tax - Gasoline Refund	6.75%
GSU	Gasoline – User	6.75%
HW	Hazardous Waste	18.0%
IFTA	International Fuel Tax Agreement	6.75%
IND	Individual Income	6.75%
IS	Inspection Supervision	6.75%
ORG	Oilfield Restoration – Gas	6.75%
ORO	Oilfield Restoration – Oil	6.75%
SEVG	Severance – Gas	6.75%
SEVM	Severance – Minerals	6.75%
SEVO	Severance – Oil	6.75%
SEVT	Severance – Timber	6.75%
SFD	Special Fuels – Decal	6.75%
SFR	Special Fuels – Refund	6.75%
SFS	Special Fuels – Supplier	6.75%
DDV	Dyed Diesel Violation	6.75%
SLD	Sales – Hotel/Motel (Orleans & Jefferson Parishes)	6.75%
SLH	Sales – Hotel/Motel (Statewide)	6.75%
SLN	Sales – NOEHA	6.75%
SLS	Sales – General	6.75%

TAX TYPE	TAX TYPE DESCRIPTION	Interest Rate (2010)
TBR	Tobacco – Return	6.75%
TBS	Tobacco – Stamp	6.75%
TC	Transportation & Communication	6.75%
VR	Automobile Rental	6.75%
WTH	Withholding	6.75%
WTHN	Withholding Non-Employee Comp	6.75%
ALDS	Alcohol – Distilled Spirits	6.75%
FTX	Fuel Tax - Floor Stock Tax	6.75%
BTX	Fuel Tax - Backup Tax	6.75%
IMU	Fuel Tax - Interstate Motor Fuel User	6.75%
TMO	Fuel Tax - Terminal Operator	6.75%
MFT	Fuel Tax - Transporter	6.75%
SUP	Fuel Tax - Supplier	6.75%
IMP	Fuel Tax - Importer	6.75%
DEB	Fuel Tax – Distributor/Exporter/Blender	6.75%
AFD	Fuel Tax – Aviation Fuel Dealer	6.75%
DSR	Fuel Tax – Diesel Refund	6.75%
SLP	Sales - Prepaid Cell Phone	6.75%
WnDS	Wine - Direct Shipper	6.75%
AMVS	Audit – Motor Vehicle Sales	6.75%
ANGF	Audit – Natural Gas Franchise	6.75%

RECALL CODE TABLE

RECALL CODE	RECALL DESCRIPTION
00	Amount paid in full
01	Skip, unable to locate
02	All means exhausted
03	Bankrupt
04	Judgment proof – no assets
05	Deceased – No assets in estate
06	Outstanding suits/judgments
07	Disputed claim – too small
08	Settlement – Balance closed
09	Too small for litigation
10	Pre- nuptial debt
11	Indigent
12	On welfare- hopeless
13	Statute barred
14	Out of business - skip
15	Corporation out of business

RECALL CODE	RECALL DESCRIPTION
16	Fraud case
17	Client declines suit action
18	Paid before assigned
19	Assigned in error
20	Debtor incarcerated
21	Policy cancelled by insured
22	Non supportive documentation
23	Cease and desist
24	Client recall
25	Deferment
26	Cancellation
27	Per client request
28	Per contact
29	Close for justice
30	Remission
31	Medical
32	Unanswered railway rule #11
33	Amnesty

RECALL CODE	RECALL DESCRIPTION
34	Jan. rec. Cl. GRS/A
35	Legal action recommended
36	Vacant
37	Recommend shut off
38	SB: low balance: stop series
39	Mail return
40	Unsuccessful collection efforts
41	Code abuse
42	Closed per G.R.S.
43	Overpayment – refund to debtor
44	Cycle stage completion close
45	Penalty Only Abatement

RECONCILIATION TAX BILL STATUS

STATUS CODE	STATUS DESCRIPTION
PIFD	Amount paid in full
CANC	Cancelled
BILL	Billed
PMTP	Payment Plan
SKIP	Skip Tracing
LITI	Litigation
SUSP	Suspense
DISP	Disputed claim

ATTACHMENT V:

STATE AND FEDERAL CONFIDENTIALITY REQUIREMENTS

STATE CONFIDENTIALITY PROVISIONS

All financial, statistical, personal, technical and other data and information relating to the state's operation which are designated confidential by state and made available to the Contractor in order to carry out his contract, or which become available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements applicable to the State.

In its handling of any returns of taxpayers or other records and files of the Department of Revenue, or information derived there from, the Contractor recognizes and acknowledges the confidential nature of said information, and shall comply with all the confidentiality restrictions embodied in La. R.S. 47:1508. Furthermore, the Contractor recognizes that La. R.S. 47:1508.1 imposes fines and/or imprisonment upon conviction for the disclosure of information in violation of La. R.S. 47:1508.

The contractor shall disclose or make available said confidential information only to those of its employees, agents and representatives whose duties clearly justify the need to know or be exposed to such information, and then only on the basis of a clear understanding by said employees, agents and representatives of their obligation to maintain the confidential status of such information and to restrict its use in accordance with this contract.

The Contractor agrees and assures that data, material, and information gathered based upon this contract or disclosed to the Contractor for the purpose of this contract will not be disclosed to other parties or discussed with other parties without the prior written consent of the State."

IRS CONFIDENTIALITY PROVISIONS

I. PERFORMANCE: In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be performed under the supervision of the contractor or the contractor's responsible employees.
- (2) The contractor and the contractor's employees with access to or who use FTI must meet the background check requirements defined in IRS Publication 1075.
- (3) Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.
- (4) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

- (5) No work involving returns and return information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (6) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (7) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
- (2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRCs 7213A and 7431.
- (3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

- (4) Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors must be advised of the provisions of IRCs 7431, 7213, and 7213A. The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. For both the initial certification and the annual certification, the contractor must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION: The IRS and the Agency, with 24 hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI. On the basis of such inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

ATTCHMENT 6
CONTRACTOR 45 DAY NOTIFICATION PROCEDURES
AND IRS PUBLICATION 1075